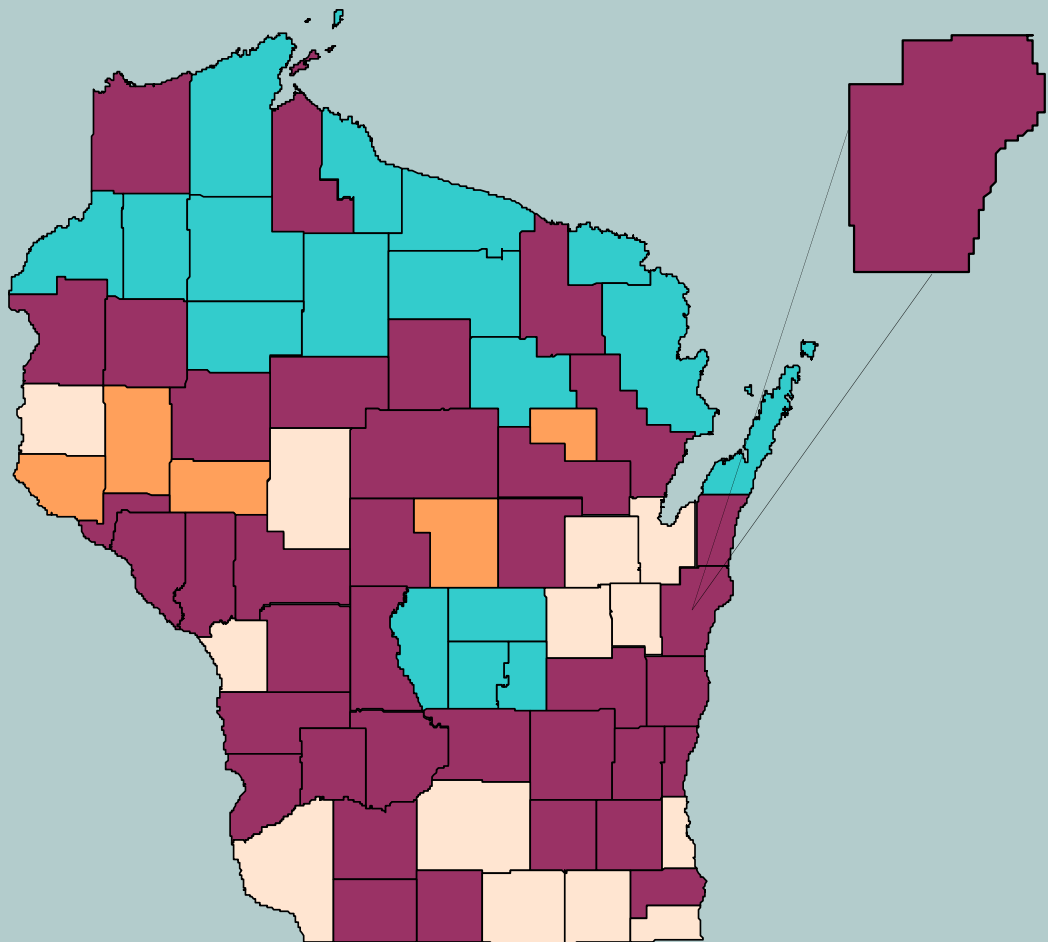


Manitowoc County Workforce Profile

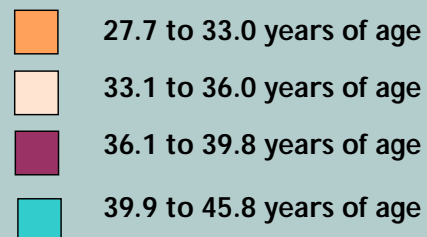
Median Age by County, 2000



Your complete
guide to the
state of the
labor force of
today and a
glimpse into
the economy of
tomorrow.



State of Wisconsin
Department of Workforce Development
October 2002



Source: Census 2000 of the United States



County Population

The population of Manitowoc County edged up slightly in 2001, adding 357 residents, or 0.4% to the county's population of 83,244. The county's rate of growth lagged behind both the state and national rate of 0.7%. This relatively sluggish growth continues a decade-long trend when the county grew at just 3.1%, adding slightly fewer than 2,500 new residents to the county population. In contrast, Wisconsin grew at 8.5% and the United States added 8.7% to its population over the course of the 1990's.

Looking at the county's population from an even longer historical perspective, extending back to 1970, a number of interesting points can be made. Prior to 2001, when the county's population reached its highest peak, the previous peak in population occurred in 1980, and again in 2000, when the county's population was 82,887. In the interim, the county's estimated population has fluctuated significantly, growing over the course of the 1970's, and then declining during the 1980's, reaching an estimated 30-year low of 80,479 in 1989 before increasing again over the course of the past decade. As a result of this fluctuation, which is primarily the result of variations in the county's birth and death rates and a relatively low migration rate into the county,

the current high of 83,244 represents a meager 1.2% increase since 1970. This suggests that the county's population has stagnated.

When analyzing the components of new population growth in Manitowoc County, a number of indicators may provide additional insight. One of the more useful characteristics are the residence changes of the county's population, which indicates where new residents may be migrating from. In 2000, 34.8% of the population reported having a different residence than in 1995. Of this nearly 35%, 23.2% moved from somewhere else in Manitowoc County, while 11.5% of the population relocated from another county. Within this group, 7.5% moved to the county from elsewhere in Wisconsin, while only 4% moved into the county from somewhere outside of the state. This distribution again suggests that the majority of new population in the county is a result of natural changes within the county's resident population.

A second indicator of the components of population growth in Manitowoc County is the composition of the county's housing stock. According to data from

(Continued on page 2)

Total Population

	2000 Census	January 1, 2001 Estimate	Percent change
United States	281,421,906	283,474,000	0.7%
Wisconsin	5,363,675	5,400,449	0.7%
Manitowoc County	82,887	83,244	0.4%

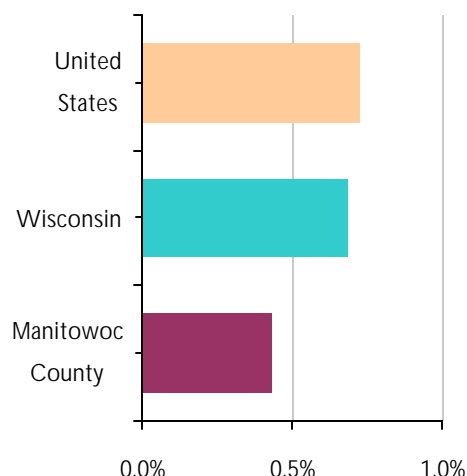
Ten Largest Municipalities

Manitowoc, City	34,053	34,161	0.3%
Two Rivers, City	12,639	12,625	-0.1%
Kiel, City *	3,129	3,158	0.9%
Manitowoc Rapids, Town	2,520	2,513	-0.3%
Newton, Town	2,241	2,259	0.8%
Kossuth, Town	2,033	2,066	1.6%
Two Rivers, Town	1,912	1,913	0.1%
Schleswig, Town	1,900	1,912	0.6%
Cato, Town	1,616	1,626	0.6%
Meeme, Town	1,538	1,540	0.1%

* Manitowoc portion only

Source: Wisconsin Department of Administration, Demographic Services, 2002

Population Growth 2000-2001

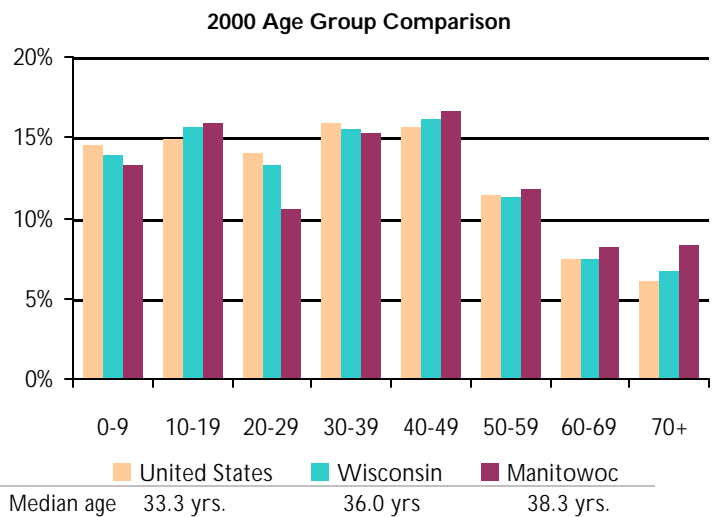




the 2000 census, 13.3% of the county's housing stock was built between 1990 and 2000. In contrast, 33.4% of the county's existing housing units were built prior to 1939. When extending this comparison to include housing units built prior to 1959, the relative age of the county's housing stock is even more evident, as 54.4% of the county's housing units are more than forty years old.

Looking at the municipalities within the county, little change was reported over the past year. Manitowoc and Two Rivers — the county's two largest municipalities experienced diverging growth patterns, with Manitowoc adding 108 new residents, or 0.3% of its population, while Two Rivers lost fourteen residents, or less than one-tenth of one percent of its population.

Another important demographic factor to consider when examining changes within the population of Manitowoc County is the distribution of the population over various age groups. This age distribution is illustrated in the chart to the right. According to data reported in Census 2000, the median age of Manitowoc County in 2000 was 38.3 years, which is older than either the state or nation's median age.

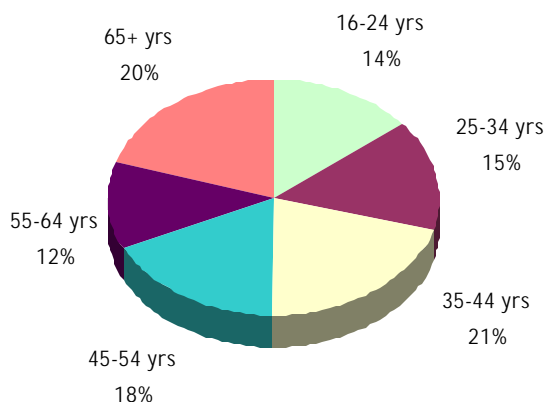


Source: US Department of Commerce, Census Bureau, *Census 2000*

From a representative standpoint, the county has a lesser share of persons under 30 than either the nation or state. Additionally, the Manitowoc County population has a higher percentage of residents aged fifty and higher. Finally, the county has a relatively equal share of residents aged 30 to 49 than either the nation or the state. While this may not be of a great concern presently, as a further investigation of the composition of the county's labor force will show, the ramifications are significant.

County Civilian Labor Force

Manitowoc County Labor Force Age Groups

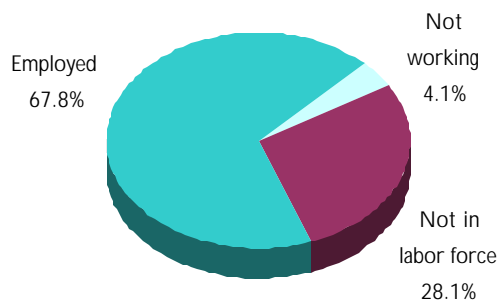


Source: US Dept. of Commerce, Census Bureau, *Census 2000*

As was suggested above, the uneven age distribution of the county's population has a significant impact on the future of the county's labor force. The magnitude of this impact is illustrated in the chart to the left, which measures the distribution of the county's labor force eligible population by age. Among the variety of conclusions that can be drawn from this illustration, the most important conclusion to be drawn is that exactly half of the county's population is aged 45 or above, and that an additional 21% of the county's labor force is between the ages of 35 and 44. Given this large percentage of the labor force who have either left the workforce through retirement or are in the more advanced stages of their careers and will be contemplating retirement over the next twenty years, the potential for a future labor shortage is significant.

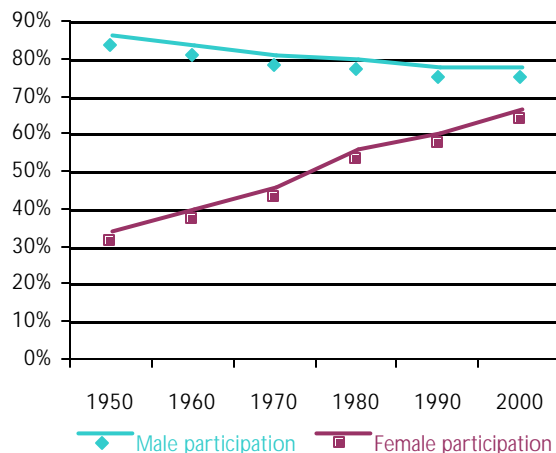


2001 Labor Force Participation



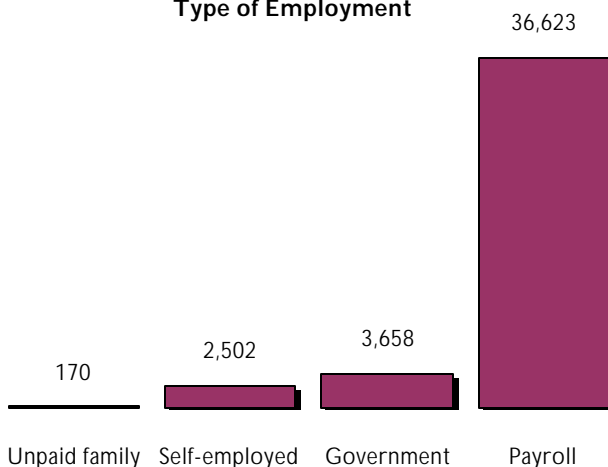
Source: Estimated from WI Dept. of Administration population estimates, Jan. 2001, US Census Bureau, and WI Local Area Unemployment Statistics.

Labor Force Participation of Male and Female Residents



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

Type of Employment



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

The labor force is the sum of those employed and unemployed that have actively sought work in the last month. Labor Force eligible must be 16 years or older and not a member of an institutional population such as a prison or an armed forces member living on a military base. The term "unemployed" does not necessarily include all people who are not working. For example, those who are retired or choose not to work are not considered unemployed. The phrase "Not Working" in the graph below assumes unemployed for the purposes of this profile.

In 2001, Manitowoc County reported a labor force participation rate of 71.9%. This rate represents a 2.1% increase over the 69.8% labor force participation rate in 2000. In comparison, the state's labor force participation rate in 2001 was 73.5%, which represents a 0.7% increase over the 72.8% rate of 2000. Nationally, the 2001 labor force participation rate was 66.9%, which actually represents a 0.3% decrease from 2000's rate of 67.2%. While the annual increase in Manitowoc County from 2000 to 2001 outpaced both the state and national growth, the county lags behind the state's rate as the percentage of those not in the labor force in the county is greater than the percentage of the same group state-wide.

Another interesting perspective on the Manitowoc County labor force that can be illustrated through an examination of the labor force participation rate is the divergent trend of participation in the labor force by males and females. This pattern is illustrated in the trend graph to the left. As illustrated from the census data represented in this chart, the male labor force participation rate has steadily decreased in Manitowoc County extending back to 1950. While this decrease can be attributed to a number of factors, including a decrease in the percentage of males with respect to total population, and the decline of manufacturing in the county, particularly from the 1970's to the present. Conversely, a period of economic slowdown throughout the 1970's and 1980's, coupled with changing social conventions has led to a growing number of females entering the workforce, which has resulted in the significant growth in the female labor force participation rate illustrated above. Additionally, a number of females have taken advantage of a faster rate of growth in non-traditional industries in traditional male-dominated

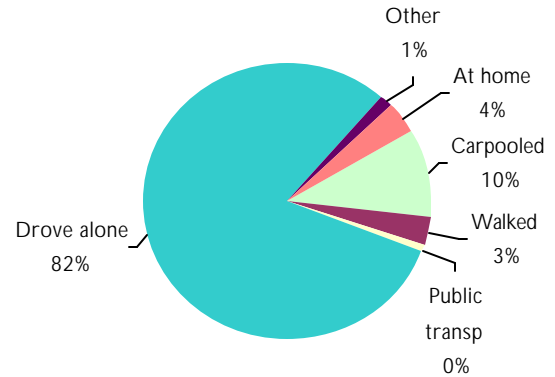


industries.

A third characteristic of the Manitowoc County that is useful in providing a profile of the county's labor force is the distribution of the county's work-force by various types of employment. From the chart on page three, it is apparent that the majority of workers in the county are employed in private, or payroll positions. A much smaller share of workers are employed by government agencies. The primary justification for this small percentage is the relatively small presence of both the state and federal government in the county. A third type of employment — self-employment has significant representation in the county and is primarily based in sole-proprietorships and home-based businesses. The relatively significant share of workers in these positions indicates a strong potential for entrepreneurial development in the county.

Now that we've identified whom participates in the Manitowoc County labor force, as well as the types of positions they fill, another vital factor to identify is the means by which they travel to the workplace daily. This distribution is illustrated above. A vast

County Travel-to-Work Patterns

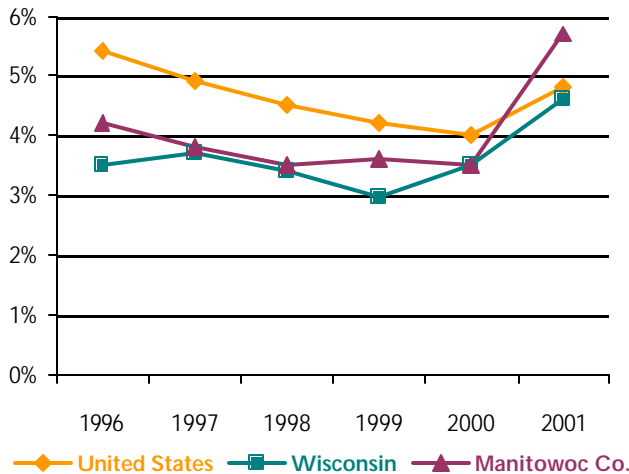


Source: US Dept. of Commerce, Census Bureau, *Census 2000*

majority of the county's labor force drives alone to work (82%), and an additional ten percent carpool. While detailed information on commuting patterns within the county will not be available until later this year, indications continue to suggest that a greater percentage of the resident labor force — approximately twenty percent commutes outside of the county to surrounding areas for work and that a smaller percentage of workers commute into Manitowoc County from outside. A final interesting characteristic of the commuting data available is the relatively small share of the labor force that utilizes public transportation as their primary means of travel. This is due to the lack of a well-developed public transit system throughout the county.

Moving briefly from the employed labor force to the unemployed labor force, the chart to the left illustrates the pattern of unemployment in the county, state, and nation over the past five years. As the chart illustrates, the Manitowoc County unemployment rate has increased significantly over the past year, growing by 2.2% to surpass both the state and national averages. Much of this growth can be attributed to significant losses in manufacturing employment in the county.

Unemployment Rate Comparison



Manitowoc County Civilian Labor Force Data

	1996	1997	1998	1999	2000	2001
Labor Force	44,700	44,700	45,500	43,700	44,400	45,700
Employed	42,800	43,000	44,000	42,200	42,800	43,100
Unemployed	1,880	1,690	1,590	1,560	1,560	2,620
Unemployment Rate	4.2%	3.8%	3.5%	3.6%	3.5%	5.7%

Source: WI Department of Workforce Development, Local Area Unemployment Statistics, revised March 2002



County Industry Employment

Nonfarm Wage and Salary Employment

	1996	1997	1998	1999	2000	2001	Percent change	
							1 year	5 year
Total	35,395	36,214	37,883	37,910	38,647	38,556	-0.2%	8.9%
Goods Producing	14,617	15,298	16,226	15,914	15,955	15,431	-3.3%	5.6%
Construction & Mining	1,468	1,612	1,740	1,782	1,827	1,619	-11.4%	10.3%
Manufacturing	13,149	13,687	14,487	14,132	14,128	13,813	-2.2%	5.1%
Durable	10,184	10,689	11,439	11,122	10,986	10,655	-3.0%	4.6%
Nondurable	2,965	2,997	3,047	3,010	3,142	3,158	0.5%	6.5%
Service Producing	20,778	20,916	21,656	21,997	22,692	23,125	1.9%	11.3%
Transportation, Communications & Utilities	1,538	1,532	1,629	1,739	1,889	2,102	11.2%	36.7%
Total Trade	6,825	6,926	7,017	7,104	7,092	6,960	-1.9%	2.0%
Wholesale	1,051	1,125	1,211	1,232	1,186	1,035	-12.7%	-1.6%
Retail	5,773	5,801	5,806	5,872	5,907	5,925	0.3%	2.6%
Finance, Insurance, and Real Estate	885	912	939	943	944	995	5.4%	12.4%
Services & Misc.	7,336	7,273	7,725	7,820	8,262	8,521	3.1%	16.2%
Total Government	4,195	4,273	4,345	4,391	4,504	4,547	1.0%	8.4%

Source: WI Department of Workforce Development, Nonfarm wage and salary estimates, revised March 2002

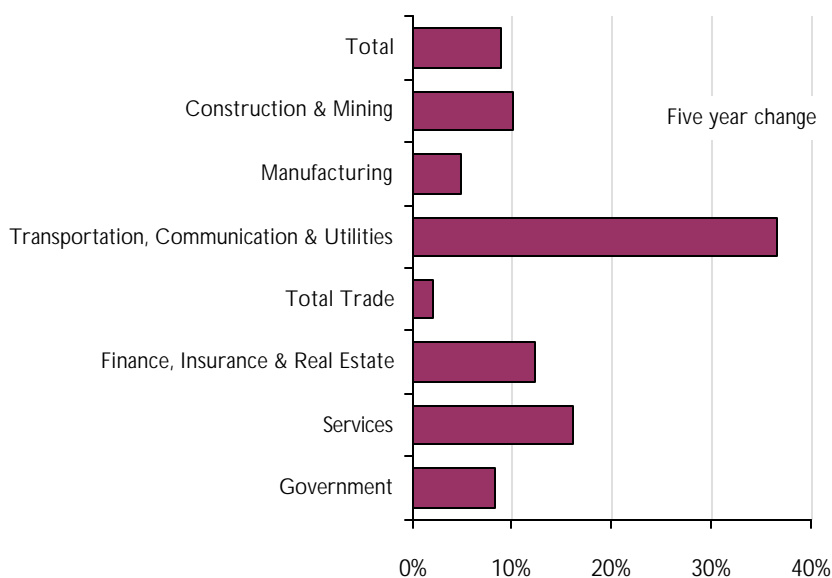
Employment among the primary industry sectors of Manitowoc County continued a pattern of fluctuation in 2001. The first significant trend that's evident in the annual employment changes is the significant growth in employment in the transportation, communications, and utilities. A majority of this employment growth is the result of improve-

ment projects being conducted at the Point Beach nuclear plant. Because of the temporary nature of many of these projects, the expectation is that the sector will see a decrease in employment at the end of the work.

Among more permanent trends, the continued loss of jobs among manufacturing firms is perhaps the most significant. Despite a five year growth rate that remains relatively high at 5.1%, the manufacturing sector has experienced a 4.6% loss of jobs over the past two years. Durable goods manufacturers have experienced the greatest loss, shedding 5.8% of their workforce over the same period. Given the large percentage of these positions that have been lost due to ceased operations and plant closings, there is a degree of uncertainty as to whether employment will return to previously high levels.

While the manufacturing sector has experienced significant losses in employment, a number of sectors, including finance, insurance, and real estate, and service industries continued to experience significant growth in 2001.

Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002



State of Wisconsin - Manitowoc County

Top 10 Employers - 2001

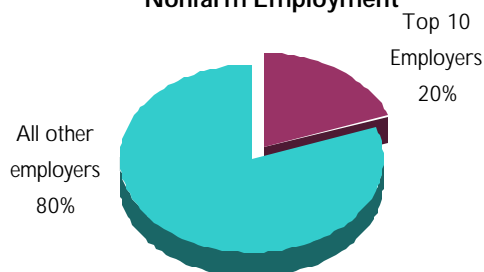
Company	Product or Service	Size
Fisher Hamilton LLC	Laboratory Apparatus & Furniture	1,000+
Holy Family Memorial Group	Health Care Services	1,000+
Newell Operating Co	Household Utensils	1,000+
Manitowoc Public School District	Public Education	500-999
County of Manitowoc	Government Services	500-999
Parker Hannifin Corp.	Hose & Coupling Mfg.	500-999
Manitowoc Cranes Inc.	Construction Machinery/Cranes	500-999
Federal Mogul Powertrain Systems	Carburetors, Pistons, Rings, & Valves	500-999
Nuclear Management Co. LLC	Energy Services	500-999
City of Manitowoc	Government Services	250-499

Top 10 Industry Groups

Industry Group	March 2001		Numeric change	
	Employers	Employees	1-year	5-year
Fabricated Metal Products	28	3,391	-308	41
Health Services	70	3,169	241	226
Industrial Machinery and Equipment	37	2,990	133	-108
Educational Services	15	2,552	44	312
Eating and Drinking Places	138	2,307	104	-3
Executive, Legislative, and General	32	1,532	32	-42
Food and Kindred Products	17	1,358	73	122
Instruments and Related Products	*	*	*	*
Electric, Gas, and Sanitary Services	*	*	*	*
Food Stores	23	971	-17	-44

*data suppressed to maintain confidentiality

Top 10 Employers' Share of Nonfarm Employment



Top 10 Industry Group Share of Nonfarm Employment



Source: WI Department of Workforce Development, ES-202 file tape, December 2001

Among the top ten employers in Manitowoc County, the list is relatively diversified. Fisher Hamilton, LLC, a division of Fisher Scientific that produces furniture used in a variety of educational and healthcare applications leads the county in terms of employment size. The presence Holy Family Memorial Group, which operates the largest hospital in the area as the second largest employer emphasizes the present and future importance of healthcare

services in the area, as evidenced by the opening of the new Aurora Medical Center in Two Rivers in 2001. The Newell Operating Co., which manages Mirro Corp. has witnessed a number of significant layoffs over the course of 2001. However, it remains the third largest employer in the area. The presence of a large number of public entities, including Manitowoc County, the Manitowoc Public

(Continued on page 7)



State of Wisconsin - Manitowoc County

School District, and City of Manitowoc demonstrates the importance of government employment in the county.

Among the major industries in the county, fabricated metal products continues to be the leading sector in the county. The growth in health services is expected to continue as the makeup of the county's population continues to age.

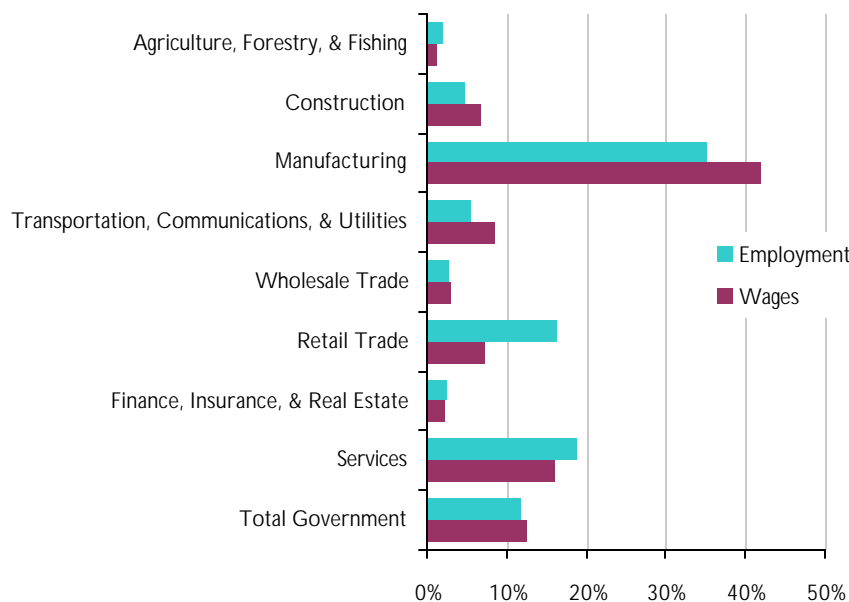
The dominance of these top ten employers and in-

dustry sectors is apparent in that 20% of the county's employees are employed by one of the top ten employers in the county and 53% of the county's employees are employed in one of the top ten industry sectors.

Another important facet of employment in Manitowoc County is the wages paid by employers in the county. For 2001, the annual average wage across all industries in the county was \$28,780, which was 6.9% below the state average. Despite an increase over the past year, the county's average wage lost ground with respect to the state average over the past year, as the county average of \$28,052 was only 5.3% below the state average.

Focusing on specific industry sectors, a number of significant trends are apparent. First, wages in construction and the transportation, communications, and utilities sectors are higher than the state average. However, wages in other industries, such as manufacturing, wholesale trade, finance, insurance, and real estate, and services are significantly lower than the state average. This differential is justified, in part by the lower cost-of-living in the county.

Employment & Wage Distribution by Industry Division

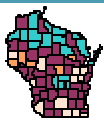


Annual Average Wage By Industry Division

	Manitowoc Co. Annual Average Wage	Wisconsin Annual Average Wage	Percent of State Average	1-year percent change	5-year percent change
All Industries*	\$ 28,780	\$ 30,922	93.1%	1.0%	20.5%
Agriculture, Forestry, & Fishing	\$ 18,366	\$ 22,565	81.4%	5.3%	17.4%
Construction	\$ 40,302	\$ 39,011	103.3%	11.3%	35.2%
Manufacturing	\$ 34,426	\$ 39,739	86.6%	0.2%	16.9%
Transportation, Communications, & Utilities	\$ 44,568	\$ 36,639	121.6%	-7.0%	26.2%
Wholesale Trade	\$ 29,691	\$ 40,521	73.3%	-1.6%	16.0%
Retail Trade	\$ 12,877	\$ 14,596	88.2%	2.4%	18.3%
Finance, Insurance, & Real estate	\$ 25,204	\$ 40,933	61.6%	-0.5%	20.9%
Services	\$ 24,762	\$ 28,775	86.1%	5.0%	34.0%
Total Government	\$ 30,369	\$ 33,785	89.9%	1.9%	14.5%

* Mining excluded from table since wages were suppressed to maintain confidentiality in every county

Source: WI DWD, *Employment, Wages, and Taxes Due covered by Wisconsin's U.C. Law, 2002*



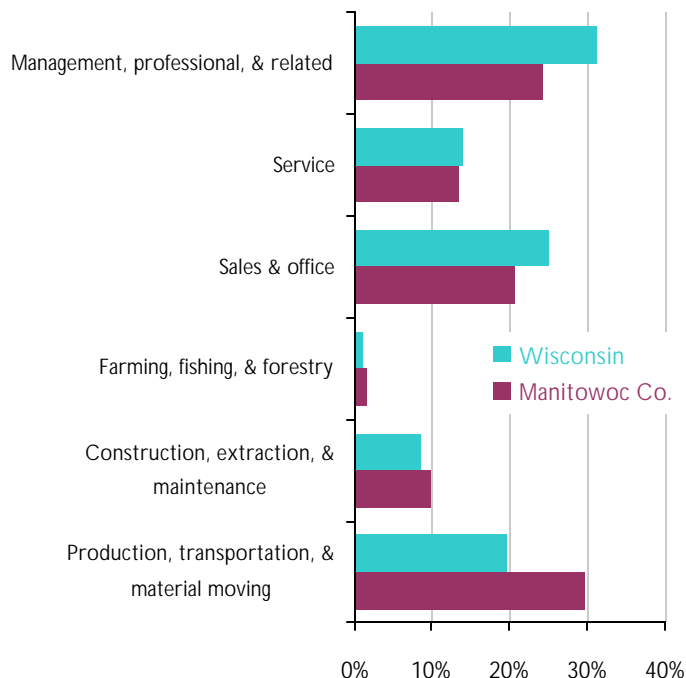
Occupation and Education Characteristics of County Population

Two additional factors of the county's labor force that provide indicators of the health of the county's workforce and economy are the occupational distribution and educational attainment of the county's labor force. As illustrated in the chart to the right, the labor force of Manitowoc County is involved in a variety of occupations. Based on the comparison of the county's occupational distribution as compared to that of the state, a number of observations can be made. First, the importance of the manufacturing sector in the county is emphasized than the larger-than-average share of workers employed in production, transportation, and material moving occupations. Additionally, the county boasts a larger-than-average share of workers employed in construction, extraction, and maintenance occupations, as well as positions in the agriculture, fishing, and forestry industries, reflecting the county's maritime heritage.

However, Manitowoc County lags behind the state in the share of workers employed in management and professional positions, service, and sales and office occupations. The relatively low share of these occupations indicates the county's reliance on traditional industries and a move towards a more service-oriented economy that lags behind movement in the state, as a whole.

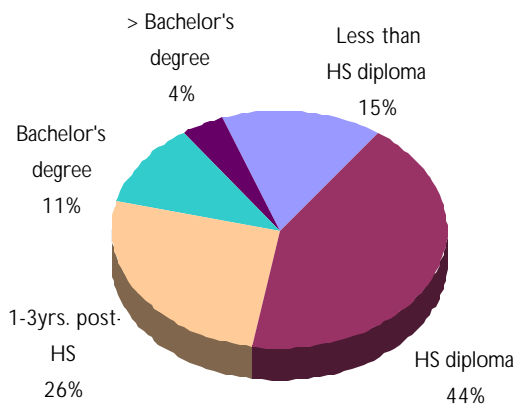
A glance at the educational attainment of the

Employment by Occupation Group: 2000



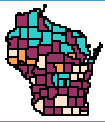
US Department of Commerce, Census 2000

Education Attainment in 2000



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

county's population aged 18 and over shows a similar pattern. The share of those who do not possess a high school diploma is quite low at 15%. While the county boasts an extremely high share of the population with a high school diploma (44%), the share of the population who have pursued education and training beyond high school is relatively lower. The greatest share of those who have pursued postsecondary education, over half of that cohort completed between one and three years of education beyond high school. While the census did not include a category for those who possessed either a vocational or associates degree, it is reasonable to assume that a large share of this 26% of the population has taken advantage of the number of technical colleges and trade schools in the area. The majority of the population possessing degrees above a bachelor's degree are most likely engaged in professional occupations, such as positions in the medical or legal fields, with a significant share of workers involved in educational positions, as well. The share of the population with at least a bachelor's degree will grow to meet future demand.



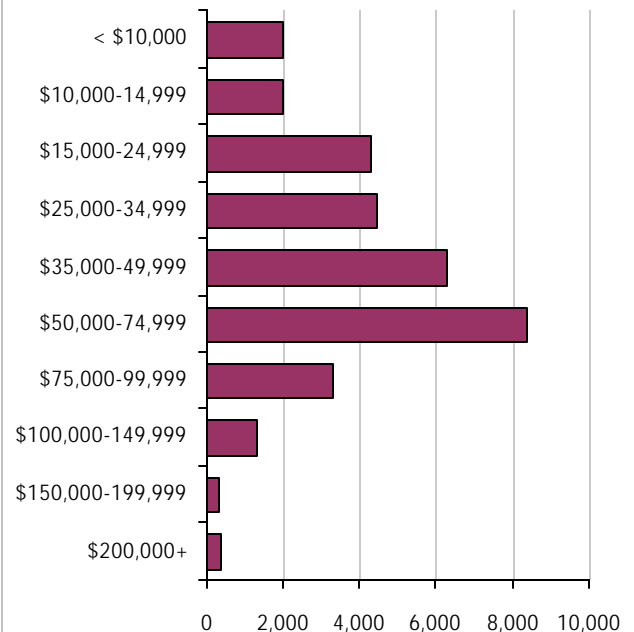
County Income Information

A final group of characteristics whose understanding is vital to gain a complete sense of the county's labor force are characteristics related to income levels in the county. Among the various means of measuring income, the median household income is perhaps the most common. Based on data collected through Census 2000, the median household income of Manitowoc County is \$43,286. This is slightly lower than the state median of \$43,791. Much of this difference can again be explained by the relatively low cost-of-living in the county, as well as wage levels that are significantly lower than the state average. Because average wages are also significantly lower than the national average of \$35,296, it would be reasonable to assume that the county's median household income is less than the national median, as well.

Another important factor tied to income is the level of poverty in the county. In 1999, 3.7% of families, 6.1% of individuals, and 16.2% of single mother families reported income levels below the poverty limit. These levels are represented in the median income distribution, as well.

A final means of determining income levels that is useful in judging the economic health of the county is per capita personal income, which accounts for sources of income other than salary and wages. In 2000, the per capita personal income of Manitowoc

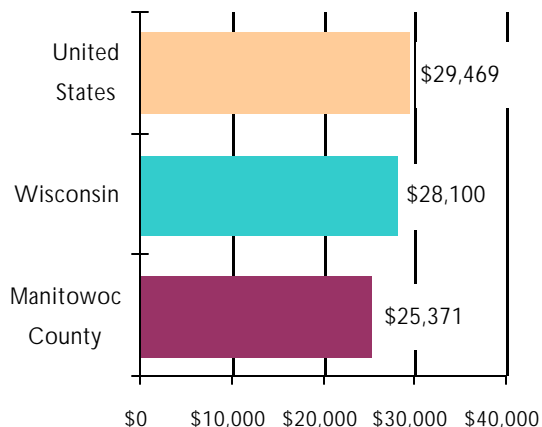
Households by Income Range
Median household income in Manitowoc Co. \$43,286



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

County was \$25,371, which is significantly lower than either the state or national average. This lower level came despite shares of net earnings, dividends, and transfer payments which are generally equal to those of both the state and nation, which again indicates that the relatively low wage levels in the county has an impact on total income.

Per Capita Personal Income 2000



Source: US Department of Commerce, Bureau of Economic Analysis

Components of Total Personal Income: 2000

